

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7773

BILL NUMBER: HB 1944

NOTE PREPARED: Feb 19, 2003

BILL AMENDED:

SUBJECT: Water Shortage Task Force.

FIRST AUTHOR: Rep. Thompson

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill creates the Water Shortage Task Force to develop and implement an updated water shortage plan.

Effective Date: Upon passage; July 1, 2003.

Explanation of State Expenditures: This bill establishes the Water Shortage Task Force to do the following:

- implement and revise the 1994 Water Shortage Plan when necessary;
- establish procedures to monitor, assess, and inform the public about status of surface water shortages;
- recommend a state policy on desired baseline flow maintenance;
- recommend a state policy for promoting water conservation
- prepare a biennial report on the status of current surface and ground water withdrawals in all Indiana watersheds;
- describe surface and ground water allocation conflicts, and;
- demonstrate by July 2004, to the Water Resources Study Committee how the Task Force has accomplished these tasks.

The bill provides descriptions of the types of individuals that are to be appointed by they Governor as members of the Task Force, which include:

- key water withdrawal user: public water supply utilities, agriculture, steam electric generating utilities, and industrial users;
- academic experts in aquatic habitat and hydrology;

- municipalities, and;
- key stakeholders: environmentalists, consumer advocates, economic development advocates, and the public.

The Governor is required to make the appointments by July 1, 2003, which shall be for four-year terms.

The bill also establishes the Governmental Advisory Panel to the Task Force, which is to consist of representatives of the following agencies:

- Department of Natural Resources;
- Department of Environmental Management;
- State Emergency Management Agency;
- Office of the Commissioner of Agriculture;
- Indiana Utility Regulatory Commission, and;
- State Department of Health.

The Governor would also be required to request that representatives of the United States Geological Survey and the United State Fish and Wildlife Service serve on the Governmental Advisory Panel.

Those members serving on the Task Force or Governmental Advisory Panel who are not state or political subdivision employees are entitled to the minimum salary per diem and reimbursement for traveling expenses. Those members who are governmental employees may receive reimbursement for travel expenses. The per diem amount is \$50 and mileage is reimbursed at \$0.28 per mile. If the Task Force consists of at least 10 members, who are not governmental employees, and it is assumed each member will travel at least 60 miles to attend a meeting, the minimum cost of each meeting would be approximately \$670. Depending on the location of the meeting, and assuming each member would have to travel 60 miles, the Governmental Advisory Panel members could be reimbursed approximately \$135 per meeting. It is unknown how many meetings the Task Force will have.

Funding for the Task Force is to be provided from the Water Resources Development Fund. The Fund consists of money received from sale-of-water and minimum stream flow contracts. Money in the Fund is used for managing and developing reservoirs and watersheds. The Fund received \$250,500 in FY 2002.

This bill also requires the Water Resources Study Committee to identify current and future Indiana Water Resources for projected uses, and establish a schedule for the Water Shortage Task Force to use in developing a comprehensive Indiana Water Resources Plan. This provision will have no fiscal impact because no additional meetings of the study committee would be required.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Natural Resources, Department of Environmental Management, State Emergency Management Agency, Office of the Commissioner of Agriculture, Indiana Utility Regulatory Commission, State Department of Health.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Valerie Ruda, 317-232-9867